

Wie MSD nach wissenschaftlicher Innovation in Europa forscht

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Director
Licensing & External Research Europe

PharmaForum Hanau, 7.11.2012

COMBINING OUR STRENGTHS SHARING OUR SUCCESSES



Introduction to Merck & Co./ MSD

2011 1891 2009 1953 1916 1668 Broken away from Merger with Merger with Global Originated with Establishes as a German Merck KgA Sharp & Leader the Merck family Schering-Plough Global in WWI, with Merck Dohme apothecary, pharmaceutical in US and German Darmstadt, firm Merck KgA Germany, LAUNCH)













Trade Name

Known as Merck in the United States and Canada. Elsewhere, known as MSD

HQ

Whitehouse Station, New Jersey, USA.

Geography

Customer base in > 140 countries to deliver broad-based healthcare solutions

Business

Pharmaceuticals, Vaccines, Biologics, Consumer Care, Animal Health

Revenues

\$48 Billion in 2011

R&D

\$8.5 Billion in 2011

Deals

>100 significant licensing and partnership deals



Current Product Portfolio















Infectious Diseases















Respiratory/ Bone/ Immunology





















Women's Health













Neuro/ Ophthalmology













Oncology











Vaccines











Diversified Brands











Dermatology













Merck Research Laboratories (MRL)

- Approximately 12,000 research scientists
- Thousands of publications per year
- Hundreds of patent applications per year
- Over 100 NDAs approved since 1963



"Our strategy is based on innovation being the single biggest driver of value over the long term for patients, customers and shareholders." – Ken Frazier



Overview of MRL's Licensing process





- Worldwide scouts build relationships and seek out opportunities
- Nonconfidential information submitted for review



Understanding Your Science

- Initial nonconfidential review by Review and Licensing Committees
- Confidentiality disclosure agreement signed
- Confidential review
- Face-to-face scientific meetings
- Commercial assessment



Doing the Deal

- Term sheet negotiations conducted by Transaction Manager
- Due diligence
- Definitive agreements negotiated
- Agreements executed



Working Together

- Alliance Management
 - Alliance managers assigned
 - Alliance launched
 - Monitor progress throughout the agreement
- Preclinical collaborations
 - Scouts will be Alliance Managers (from 2011)



Merck's Global Licensing and Scouting Network:



Steven Bartz
PhD
Northwest United States



Steven Xanthoudakis
PhD
Canada and
Latin America



BSc, PhD
United Kingdom,
Ireland, Portugal,
and Spain



Manfred Horst MD, PhD, MBA France, Germany, Italy, and Switzerland



Erik Lund PhD, CLP Scandinavia, Baltic States, Central Europe, Austria, The Balkans, Greece, and Turkey



Phil Kearney PhD, MBA Australia, India, Indonesia, New Zealand, Malaysia, Philippines and Vietnam



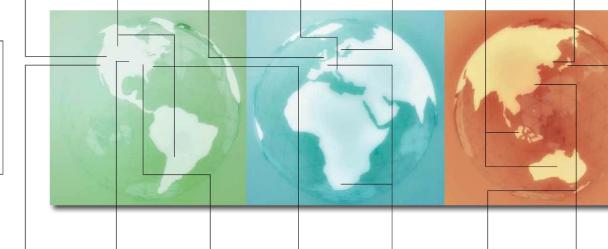
Kuchan Kimm MD, PhD Korea



Jun Suzuki DVM, PhD Japan



Greg Wiederrecht
PhD, CLP
Vice President and Head,
External Scientific Affairs





James Schaeffer PhD Southwest United States



Susan Rohrer
PhD
Mid-Atlantic
and Midwest
United States



Sanjeev Munshi PhD, MBA Southeastern United States



Reid J. Leonard PhD New England



Jeroen Tonnaer PhD Benelux, Russia, Israel, and

South Africa



Jimmy Z. Zhang PhD, MBA China (Beijing)



Yongkui Sun PhD China (Shanghai)



Tomoko Satoh PhD Japan

COMBINING OUR STRENGTHS
SHARING OUR SUCCESSES

European Scouts and Ambassadors

Tools:

- Areas of Interest
 - Non-confidential brochure and Internet site
 - Confidential updates from franchises
- Databases, databases
 - LKR (Licensing Knowledge Repository)
 - Other internal databases
 - Knowledge Management department
 - Scientific Literature

People:

- Partnering meetings e.g. Bio Europe
- Scientific conferences e.g. ESC Congress
- Site visits
 - · Company visits
 - FTF meetings with MRL
 - Due Diligence
 - Deal Discussions
- Internal contacs (MRL, GHH, CL)





Erik Lund







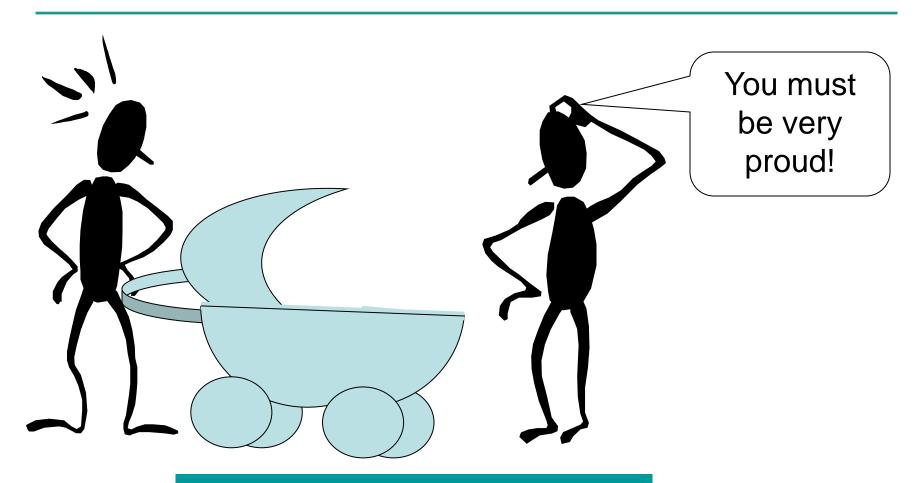
Jeroen Tonnaer

Manfred Horst



COMBINING OUR STRENGTHS

Pharma Charm School - Never forget... for the biotech, their compound is their "baby"



Beauty is in the eye of the beholder!



Areas of Interest for Partnering

THERAPEUTIC AREAS AND RESEARCH TECHNOLOGIES

- We publish our Areas of Interest twice each year.
- For each of our therapeutic areas, we list the Mechanism of Actions that we are interested in and those that we are not.
- Go to: <u>www.merck.com/licensing</u> to learn more!





Merck Has Found Excellence In Science Worldwide

In the past 10 years, Merck has signed significant deals with partners in the following countries

Canada U.S. Austria
Belgium
Denmark
France
Germany
Iceland
Italy
Sweden
Switzerland
The Netherlands
U.K.

China
Japan
Korea
Singapore

Australia
New Zealand



The odds



« No » does not mean « Never »



A successful Due Diligence...



Elexopharm

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Hot off the press

WHITEHOUSE STATION, N.J., and Wuppertal, Germany, October 15, 2012





AICURIS AND MERCK ENTER EXCLUSIVE WORLDWIDE LICENSE AGREEMENT FOR INVESTIGATIONAL PORTFOLIO TARGETING HUMAN CYTOMEGALOVIRUS



Collaboration Creates Value

Combining our Strengths Sharing our Successes

Partners

- Discovery
- Innovation
- Subject Matter Expertise

MSD

- Subject Matter Expertise
- Clinical Development
- Commercialization expertise

